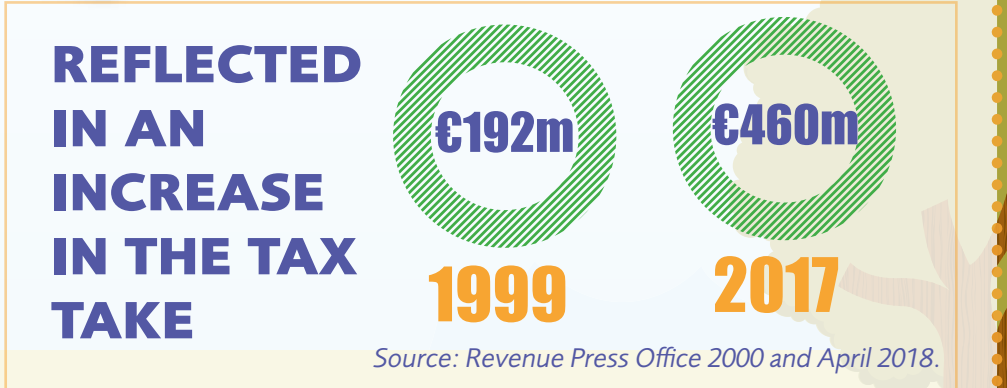
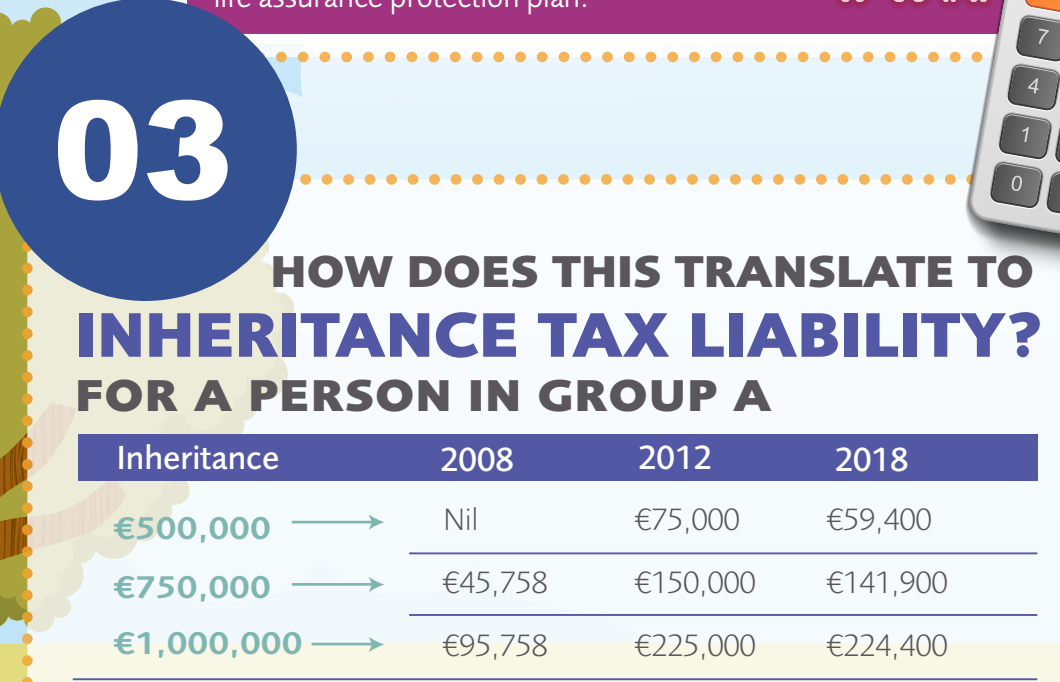
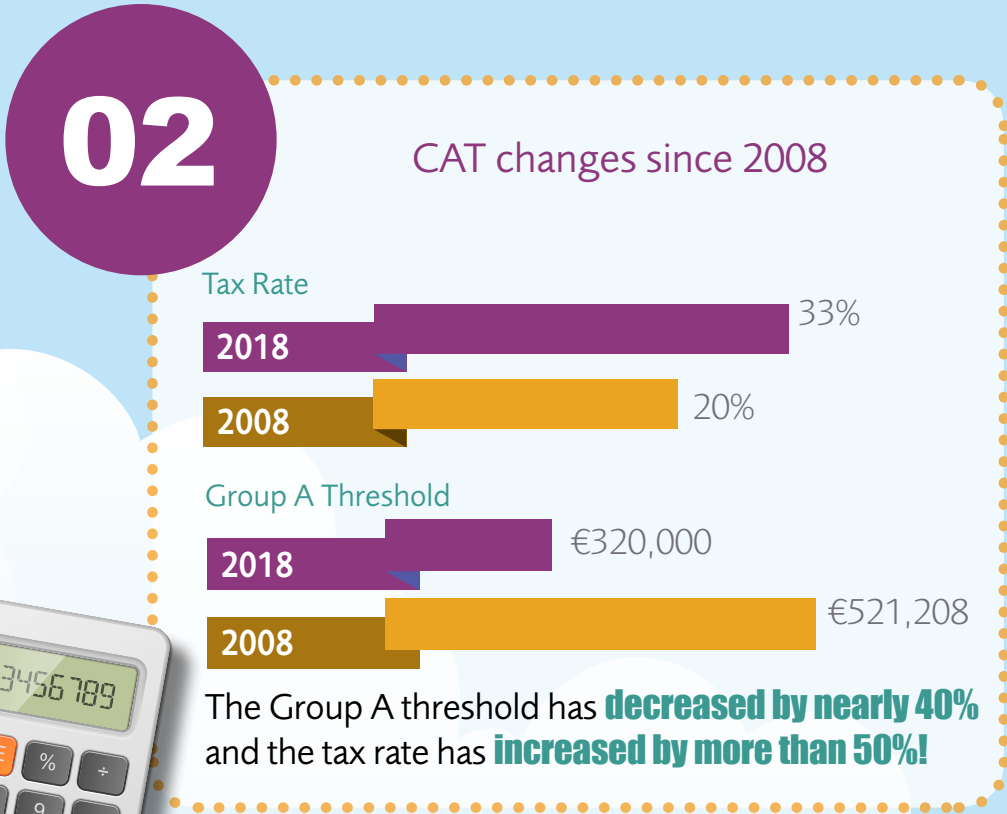
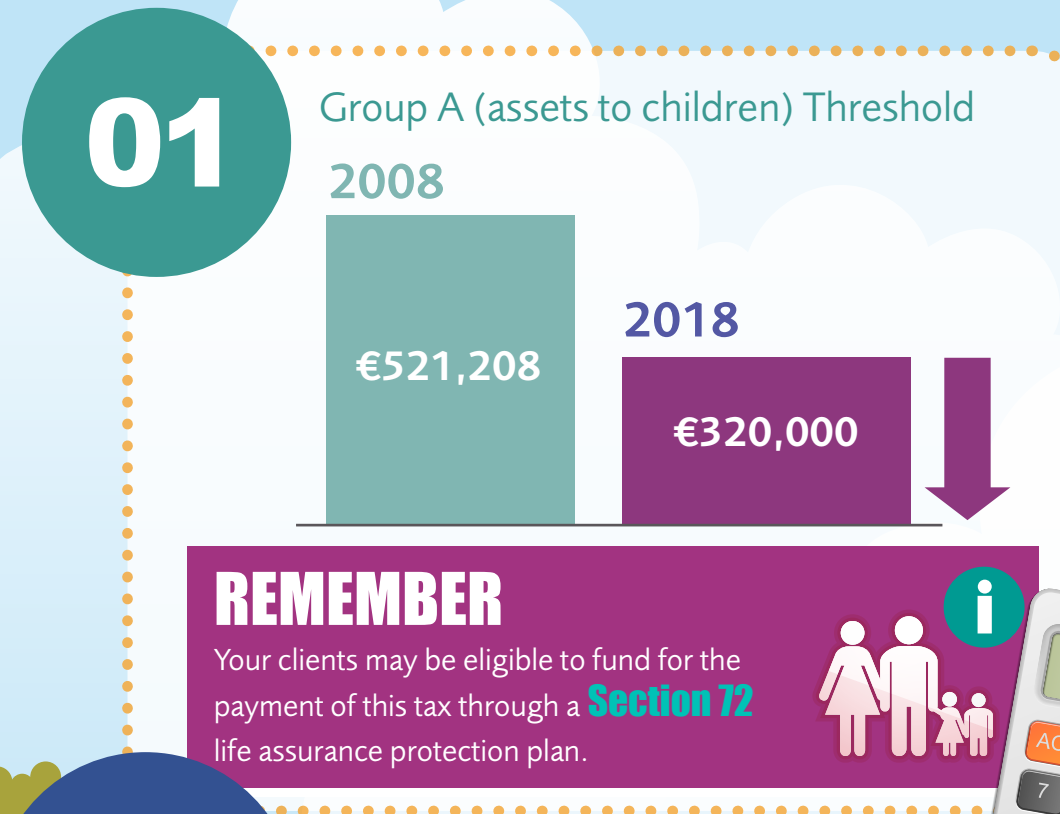


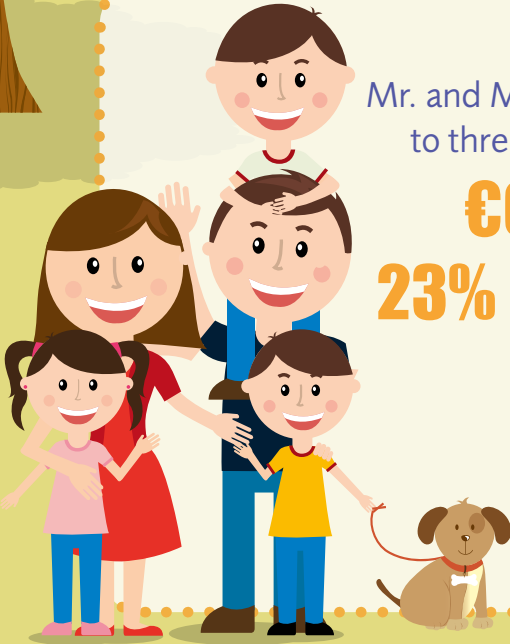
CAPITAL ACQUISITIONS TAX (CAT) HAS CHANGED OVER THE YEARS

The Group A threshold (where the person receiving the inheritance is the child of the person providing it) was at its highest in 2008 in the amount of €521,208 with the lowest tax rate of 20%. In 2012 the Group A threshold was €250,000 and the tax rate was 30%. In 2018 the Group thresholds have continued to increase and are currently Group A threshold - €320,000, Group B threshold - €32,500 and Group C threshold - €16,250 with the tax rate at 33%.



- If you leave cash in a bank account to pay your beneficiaries' tax bill, it will be an additional inheritance for them and subject to tax at 33%.
- But if you take out a special life assurance plan with a sum assured equal to the amount of your beneficiaries' potential Inheritance Tax liability, then the sum assured, when used to pay Inheritance Tax, will not increase the beneficiaries' Inheritance Tax bill. This assumes that you are accepted, keep up payments, and that certain qualifying conditions are met throughout the term of the plan.

EXAMPLE



Mr. and Mrs. Smith leave an estate of **€3 million** to three children with an Inheritance Tax bill

€673,200 or almost 23% of estate taken in tax

Their Options

OPTION 1
Inheritance Tax bill of **€673,200**

OR

OPTION 2
SPECIAL LIFE ASSURANCE PLAN
with sum assured of **€673,200**
for a premium of €10,381.69 per annum...

They would have had to save **€10,381.69** per annum for over **64 years** to save **€673,200** or they could protect the estate at a cost of less than 1.6% p.a. of the tax bill using Irish Life's Life Long Insurance Plan! This premium is based on a married couple, both in good health and aged 55 next birthday, non-smokers and is exclusive of the 1% government levy.

Information correct as of October 2018.

Irish Life is not authorised to provide tax advice. The information in this flyer is based on Irish Life's understanding of the current taxation rules and does not constitute advice. We recommend you seek independent tax advice.

Inheritance Tax Planning –
make sure your numbers add up!



Irish Life